Approved For Release 2007/10/23: CIA-RDP91T01172R000300360009-8

CONSCRE

OCI NO. 4102 COPY NO. 10 CENTRAL INTELLIGENCE AGENCY OFFICE OF CURRENT INTELLIGENCE 11 May 54

GENEVA CONFERENCE BULLETIN - IX

Rhee continues to withhold approval of UN unification plan: President Rhee on 8 May informed the United States government that after Chinese Communist troops have been withdrawn from Korea and the North Korean army has surrendered, he would seek such amendments to the South Korean constitution "as may be necessary" for an all-Korean legislative election. He also asked for an American pledge to "act on the United States-South Korean Mutual Defense Pact immediately" if Communist forces again invaded South Korea.

Ambassador Briggs reports that if this statement is acceptable to the United States, he understands Rhee will authorize Foreign Minister Pyun to have the UN proposal for all-Korean elections, as modified by the statement, presented at Geneva. He adds that Rhee is adamant on the question of North Korean surrender and that the above statement is the most that can be expected of Rhee.

According to Undersecretary Smith, the United States would be put in a "ridiculous, untenable position" if it supports Rhee's proposals. He also said that the other UN representatives are not likely to accept the automatic extension of South Korea's sovereignty over the north which is implicit in Rhee's surrender demand.

Smith urged that Rhee be faced with a choice of maintaining a united front at Geneva behind a position which protects Seoul's interests, or of isolation from his allies, and relieving the Communists of the onus for failure. He also suggested informing Rhee that his refusal to accept may require a re-examination of American economic and military aid programs and the United States-South Korean Mutual Defense Pact. Rhee apparently hopes that by continuing to insist on North Korea's surrender, he can obtain a firm United States commitment to build up his armed forces.

At Geneva, there is growing sentiment to introduce the UN proposal for all-Korean elections with or without Rhee's approval. Current tactics call for presenting the plan to the

State Dept. review completed

COMPARET

Decument No.

No Change in Class.

Declassified

Class. Changed Ter Te c a

Auth.: HB 19-2

Date: 2 July 78 By:

Approved For Release 2007/10/23 : CIA-RDP91T01172R000300360009-8

Approved For Release 2007/10/23 : CIA-RDP91T01172R000300360009-8

Communists at a restricted session and asking if they are willing to negotiate on the basis of the plan. If not, the proposal would be presented in plenary session for the benefit of world opinion following which the Korean phase of the talks would be broken off.

Molotov favors armistice negotiations between French and "Indochinese": In a conversation with British Foreign Secretary Eden on 5 May, Molotov agreed that the Indochina situation was inflammable and that an armistice should be sought. He reiterated that the important thing was for the French and "Indochinese" to work it out themselves and did not dissent from Eden's suggestion that political and economic problems should not be discussed until after an armistice with satisfactory safeguards had been arranged. At no time did he use the words "cease-fire."

Molotov indicated agreement when Eden observed that a continuation of the status quo in Korea was "not too bad."

It is believed that the Communists desire to arrange a suspension of hostilities in order to remove the danger of American or United Nations intervention. They also appear to prefer to keep a cease-fire or armistice separate from the question of a political settlement.

The Communist position on Korea strengthens earlier indications that the Bloc's principal aim is to confirm and stabilize the status quo.

American officials fear France will accept simple cease-fire:
Undersecretary Smith in Geneva fears that under pressure France
will make little effort to insist on adequate controls in an
armistice agreement on Indochina and will in fact agree to a
simple cease-fire. Commenting on France's proposal that the
agreements "be guaranteed by the states participating in the
Geneva conference," Smith fears that it might result in
United States underwriting a settlement which at best will be
highly unstable.

Ambassador Dillon in Paris warns that the favorable vote obtained by Laniel on 6 May does not mean that parliamentary pressure for a cease-fire has abated. While fears of jeopardizing the chances for a settlement at Geneva and "basic patriotic principles" forestalled the overthrow of Laniel, Dillon believes that the Indochina war "has to be settled in some way and settled quickly." He fears that France's maneuverability on the Indochina problem has narrowed considerably and that domestic pressures may soon force any French government to accept a settlement with the Viet Minh based on a facesaving formula and without regard to the long-term implications.